



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

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Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
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BOARD OF SUPERVISORS

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November 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF RETROACTIVE PAYMENT AND AGREEMENT FOR CANCER
SURVEILLANCE SERVICES WITH THE UNIVERSITY OF SOUTHERN CALIFORNIA**
(4th and 5th Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and delegate authority to the Director of Health Services, or his designee, to authorize and approve retroactive payments to the University of Southern California (USC) for cancer surveillance services provided at Olive View/UCLA Medical Center, for the period of January 1, 2003 through November 30, 2004, at an estimated cost of \$70,000.
2. Delegate authority to the Director of Health Services, or his designee, to execute a forthcoming Agreement with USC for the provision of cancer surveillance activities at Olive View/UCLA Medical Center and Rancho Los Amigos National Rehabilitation Center (Rancho), effective upon Board approval through November 30, 2006, with a one-year optional renewal through November 30, 2007, at a combined maximum net County cost of \$160,000, on an as needed basis, upon review and approval as to form by County Counsel.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

These actions are necessary to provide reimbursement to USC from whom cancer surveillance services were obtained without proper contract authority by Olive View/UCLA (OV/UCLA) Medical Center. The services are presently being obtained at Rancho from USC through purchase orders. Thus this agreement will allow for the continued provision of State mandated cancer surveillance services, at both facilities, from the date of Board approval through November 30, 2007.

FISCAL IMPACT/FINANCING:

The total estimated cost of the retroactive payments for OV/UCLA is \$70,000, for the period of January 1, 2003 through November 30, 2004. The maximum contract cost for the cancer surveillance services from the date of Board approval through November 30, 2007, is \$160,000, for both facilities. Funding is currently included in the Fiscal Year (FY) 2004-05 Adopted Budget and will be requested as part of a continuing appropriation in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

OV/UCLA and Rancho are required under state law to perform certain surveillance activities related to the reporting of the incidence of cancer diagnosis among patients. USC Cancer Surveillance Services provides a Certified Tumor Registrar to abstract cancer cases of specified neoplasms and report to the State.

Rancho, which requires approximately \$2,500 a year in cancer surveillance services, has been utilizing the purchase order process through the Internal Services Department (ISD) to procure the service from USC.

Similarly, OV/UCLA had previously utilized the purchase order process to procure the service from USC. In approximately June 2001, once OV/UCLA had exhausted the purchase order process, it continued to acquire the service without a contract, so as to ensure compliance with the State mandate. In July 2003, your Board approved a retroactive payment in the estimated amount of \$44,000 for the period of July 2001 through December 2002. At that time, the facility was unaware that additional services had been obtained, but had not yet been invoiced. This has now resulted in the need to request additional retroactive payment for the period of January through July, 2003.

Moreover, while the Board, in July 2003, also authorized the Director to enter into an agreement with USC for the provision of these services, USC refused to sign the agreement due to technical issues arising from the County's standard agreement format. USC did, however, continue to provide the services. Thus, while OV/UCLA had authority to contract for the service, USC's refusal to sign an agreement, resulted in the facility acquiring the mandated service without a Board approved agreement.

Changes in legal counsel for USC have lead to USC's willingness to enter into a contract for the provision of this service at both OV/UCLA and Rancho.

Attachment A provides additional information.

Agreement will be reviewed and approved as to form by County Counsel prior to acceptance.

CONTRACTING PROCESS:

USC is contracted through the State of California, Department of Health Services Cancer Prevention Section as the designated Cancer Registry for the County of Los Angeles (Region 9) as mandated by California Assembly Bill 136.

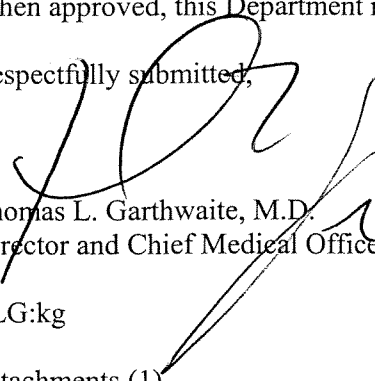
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IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of this action will enable OV/UCLA and Rancho to continue reporting cancer surveillance activities as mandated by the State.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:kg

Attachments (1)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

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SUMMARY OF AGREEMENT

1. **TYPE OF SERVICE:**

Cancer surveillance services provides a Certified Tumor Registrar to abstract cancer cases of specified neoplasms and report to the State.

2. **CONTRACTORS ADDRESS AND CONTACT PERSON:**

University of Southern California
1540 Alcazar Street, CHP Suite 204
Los Angeles, CA 90089-9002
Attention: Donna Morrell
Los Angeles Cancer Surveillance Program
Telephone/Facsimile Number: (323) 442-2334 / (323) 442-2301
Electronic-Mail (e-mail) address: dmorrell@usc.edu

3. **TERM:**

The University of Southern California Agreement is effective upon Board approval through November 30, 2006, with a one-year optional renewal through November 30, 2007.

4. **FINANCIAL INFORMATION:**

The total estimated cost of the retroactive payments is \$70,000, for the period of January 1, 2003 through November 30, 2004. The combined, maximum contract cost for the cancer surveillance services from the date of Board approval through November 30, 2007, is \$160,000. Funding is currently included in the Fiscal Year 2004-05 Adopted Budget and will be requested as part of a continuing appropriation in future fiscal years.

5. **GEOGRAPHIC AREA:**

Fourth and Fifth Districts.

6. **MONITORING:**

The administrative staff at Olive View/UCLA Medical Center and Rancho Los Amigos National Rehabilitation Center will be responsible for monitoring the agreement in its entirety.

7. **APPROVALS:**

Administration: Melinda Anderson, Chief Executive Officer
Valerie Orange, Acting Chief Executive Officer

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Christina A. Salseda, Deputy County Counsel